

Emergency Solutions Grants Program

2015 ESG Program Updates FAQ and Responses

for the September 9th and 16th Webinars



Responses addressing specific ESG Redesign features are based on the proposed regulations that will go out for public comment October 2015.

ID	Topic	Comment	Response
1	All Funding Pools	Does that extension you're asking HUD about mean just using the existing award over a longer period, or getting an additional three months of funding?	We are asking HUD for an extension to allow grantees to use their current award for an additional three months.
2	All Funding Pools	For currently funded orgs, if awarded funding in Oct. 2016, can these funds cover activities during the 3 month period of no funding?	If an organization is affected by the 3-month gap in funding and is awarded funding under ESG redesigned program, HCD will work with these affected organizations and HUD on a case by case basis.
3	All Funding Pools	What is the timeline for HUD approval and what happens if the amendment is not approved?	The substantial amendment was released for public comment, September 28, 2015 and the public comment period ends the October 29, 2015. Should HUD disapprove our amendment, we will communicate our next course of action with stakeholders in a timely fashion.
4	All Funding Pools	What amount of funds can be used for administration? I think you are allowing 8% for HMIS.	Based on an estimated allocation of \$10.8 million, in the 2016 Annual Plan, the Department may propose to allocate 2.68% administration funds to the CoC funding pool. If this is adopted through the Annual Plan process, there will be no administrative funds available to the Balance of State funding pool. However, as proposed each funding pool can allocate up to 10% of their formula allocation for their HMIS eligible expenses.
5	All Funding Pools	Do you anticipate CoC funding levels to be similar to the past for budgeting purposes?	No, the funding is determined by the formula allocation which made up of three factors (summarized below): 1) Number of people experiencing homelessness adjusted by ESG non-entitlement population in the CoC Area. The Data Source is the CoC Point in Time Homeless Count adjusted for Non-Entitlement Areas. 2) Number of extremely low income renter households with severe cost burden in ESG non-entitlement jurisdictions. 3) Poverty rates in ESG non-entitlement areas (weighted 2X).
6	All Funding Pools	Does each COC receive the same dollar amount?	No, each CoC will receive funding based on the formula allocation. See question above for the specific formula factors.
7	All Funding Pools	If we receive County ESG funds, and state ESG funds, does this redesign apply to both?	The ESG Redesign program only includes State ESG Funds.
8	All Funding Pools	What is the estimated funding amounts for the 2016 ESG NOFA?	The example shown in the webinar illustrates a partial estimated allocation for 2016. The example below assumes a total ESG allocation of \$21.6 million (FY 15 and FY 16 together) which can be broken down as follows: <ul style="list-style-type: none"> • \$13 million for the CoC Funding Pool. • \$8.6 million for the Balance Of State Funding Pool The State's ESG annual allocation has historically been between \$9 million - \$11 million.
9	All Funding Pools	Will allocations be cut as the CoC succeeds in lowering its PIT homeless population?	It is difficult to generalize about what a change in PIT might produce because the formula relies on other factors besides PIT, and individual allocations are proportionate to others Statewide. See the response to Question 5 for the specific formula factors.

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10	All Funding Pools	If contracts are not available by Oct., will they be retroactive back to an Oct. date?	If there are any changes to the proposed timeline, we will communicate to our stakeholders. The Department anticipates issuing ESG contracts for both funding pools in October 2016.
11	All Funding Pools	Will grant contracts be for 1 year or two years?	The decision on whether contracts will be one or two years will be included in next year's Annual Action Plan process which includes stakeholder input.
12	All Funding Pools	When will the allocations between the CoC/BOS be finalized? Do you anticipate this happening after the final public comment period?	Estimated formula allocations for both the CoC and BoS funding pools will be generated at the end of the year after all public comments on the proposed formula factors have been received and considered.
13	All Funding Pools	What outcome measures will be used? Will they be the same as last year?	No. The proposed draft regulations will detail out the process for award selection including outcome measures for both funding pools.
14	BoS Funding pool	Is the maximum competitive amount based on a jurisdiction's allocation? 50%?	It depends on how much the CoC wants to participate in the non-competitive RRH set-aside. The amount available in the rapid rehousing set aside will be determined in the Annual Action Plan process with stakeholder input. We will communicate the minimum and maximum BOS Application amounts in each region in the anticipated May, 2016 NOFA.
15	BoS Funding pool	So if a jurisdiction had an allocation of \$200,000. Can they only compete for a max of \$100,000	No, The minimum and maximum amounts in each region will be determined in the Annual Action Plan process with stakeholder input.
16	BoS Funding Pool	Can a CoC in the Balance of State funding pool have all funds dedicated to rapid rehousing and receive the total amount and not be in the competitive pool?	CoC's in the Balance of State funding pool have the following options for their Rapid Rehousing Contracts: Option 1: A CoC can designate 100% of their formula allocation to an approved Administrative Entity in a geographically contiguous CoC service area to administer their Rapid rehousing program. Option 2: A portion of the CoC formula allocation can be administered by HCD for a non-competitive RRH application. This percentage will be determined through the Annual Action Plan Process with stakeholder input beginning early 2016.
17	BoS Funding Pool	How did you come up with the division of funds for the BOS funds-North-Bay Area-Central region?	The Balance of State funding pool is made up of three regions, Northern, Bay Area, and Central & Imperial Valley. The respective counties were placed in the identified regions based on the State's geography.
18	BoS Funding Pool	We currently receive funds for both RRH and our Emergency Shelter. We are concerned that the Shelter funding may change or go away over time. Will the program redesign include both types of programs?	Under the proposed redesign program CoC's in the Balance of State funding pool have the following options to receive ESG funding : Option 1: A CoC can designate 100% of their formula allocation to an approved Administrative Entity in a geographically contiguous CoC service area to administer their Rapid rehousing program Option 2: Competitive and/or Noncompetitive: A CoC can request percentage of funds for Rapid-Rehousing (noncompetitively and remaining funds go into regional competition for any eligible activity, including Rapid Rehousing). Option 3: 100% of a BoS CoC's allocation can go into the regional competitive pool for any eligible activity. At this point, we anticipate that emergency shelter will remain eligible; however, we will make decisions regarding eligible activities with stakeholders as part of the Annual Action Plan Process.
19	BoS Funding Pool	If the RRH contract is non-competitive, does this mean our CoC decides which agency is awarded the contract?	Yes

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20	BoS Funding Pool	If there are no rapid rehousing applicants within the CoC, can all funds be used for shelter applications?	See Option #3 as discussed above.
21	BoS Funding Pool	Why are the dollar amounts different for the three different BoS regions?	The regional allocation is the sum of the formula allocation for each CoC represented in that region.
22	BoS Funding Pool	Can you clarify for balance of state pool applicants, do we apply to our CoC or does our CoC apply?	The Balance of State Funding Pool CoCs will recommend to HCD, eligible providers to submit non-competitive and competitive applications for funding. BoS pool providers must submit an application to HCD for funding, with CoC approval.
22	BoS Funding pool	What new decisions will ail BoS CoCs have to make? And when on the timeline?	Balance of State Funding Pool- As proposed, some of the major decisions include: <ul style="list-style-type: none"> • Decide whether the CoC will partner with an AE in a geographically contiguous CoC to designate 100% of their formula allocation for Rapid Rehousing – anticipated for Jan/Feb 2016 • If not partnering with an AE as discussed above, recommend providers for the noncompetitive and/or regional funding allocations – anticipated July 2016 • Demonstrate that the CoC's provider recommendation process meets ESG requirements – anticipated July 2016
23	BoS Funding Pool	If a provider was awarded an ESG contract, would the provider submit reports to HCD for payment or is their a continued responsibility for the CoC to manage the contract?	BoS contracts will be administered by the Department; therefore, the provider will submit the Request for Funds (RFF) form to HCD (similar to the current process), as well as other required reports.
24	BoS Funding Pool	Will Counties in BOS areas be expected to manage reporting on the ESG grants or will it be up to the recipient as in years past?	For most required reports, Subrecipients will submit directly to the Department; however, CoCs may have to produce reports related to outcome measures.
25	CoC Funding Pool	Is the administration funds separate from HMIS.	Yes
26	CoC Funding Pool	Please explain how you envision the redesigned program will reduce administrative burden for contracted service providers?	The State ESG program currently receives and evaluates approximately 120 applications per year and funds approximately 60 contracts per year. The redesigned ESG program proposes to limit the number of contracts, subcontracts, and activities per contract between the Administrative Entity and the Subrecipient of the Administrative Entity. Setting limits on the number of contracts, subcontracts, and activities per contract between the Administrative Entity and the Subrecipient of the Administrative Entity will help to manage the workload of the AE and the Department related to provider selection, contract management, and monitoring.
27	CoC Funding Pool	Are applications limited to CoC's? or can organizations still apply?	As currently proposed, in the <u>Continuum of Care funding Pool</u> , the ESG Administrative Entity (AE), a local government ESG Entitlement entity, and the CoC will work together to select providers to deliver eligible activities. HCD will enter into a standard agreement with the AE passing through ESG funds for them to administer. The AE will then enter into contracts with their selected providers.
28	CoC Funding Pool	For CoC pool of funding, did you state that the lead CoC agency (e.g., LAHSA in LA CoC) and HCD will determine which service providers are contracted to provide ESG eligible activities?	Local governments with ESG administration experience (AEs) will administer State ESG funds and partner with their CoC in the selection of funded activities and providers.

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29	CoC Funding Pool	What is the difference between the CoC and the administrative entity?	As proposed, an ESG Administrative Entity (AE), will typically be the County ESG Entitlement Entity that receives a direct ESG Entitlement from HUD. A Continuum of Care (CoC) is a regional or local planning body that coordinates housing and services funding for homeless families and individuals. The AE will contract directly with the Department for ESG funds, but the AE and the CoC will work together as discussed below under Option 1.
30	CoC Funding Pool	Can a CoC opt out of the application review and administrative responsibilities?	As proposed, Continuums in the CoC funding pool have the following options to receive ESG funding under the proposed redesign program: <u>Option 1:</u> Local governments with ESG administration experience (AEs) will administer State ESG funds in partnership with their CoC in the selection of funded activities and providers, and in other aspects of program operations. Department approves AEs to assume this role. <u>Option 2:</u> If no approved AE, the CoC can designate percentage of the formula allocation for Rapid Rehousing. The CoC recommends provider and the Department will administer this contract.
31	CoC Funding Pool	Since the CoC's are going to receive the funds then award, will they be producing the Grant Applications?	Within the CoC funding pool, CoC's in collaboration with the Administrative Entity will be running their own grant selection process in accordance with the criteria set forth in the proposed regulations.
31	CoC Funding Pool	What new decisions will all CoCs in the CoC funding pool have to make? And when?	<u>CoC Funding Pool</u> - As proposed, some of the major decisions include: <ul style="list-style-type: none"> • Recommend an Administrative Entity (AE) – anticipated for Jan/Feb 2016 • In partnership with the AE determine the Roles and responsibilities of the AE and the CoC in the administration of ESG funds – be provided with the AE application for certification in Jan/Feb 2016. • Developing the Method of distribution for State ESG funds in partnership with the AE and the CoC • Selection of the funded providers – selections due to the Department by August 2016.
32	CoC Funding Pool	Are some CoC's a combination of both entitlement and non-entitlement? Does this mean a RRH contract would be required to serve all regions in the CoC?	In situations where the CoC services contain both non-entitlement and entitlement areas, the Administrative Entity shall facilitate outreach and access to reach populations in the Non-entitlement areas and shall evaluate participation from these areas at least annually. The Department may condition future funding to ensure access to funded activities by Non-entitlement areas. Entitlement areas may also be served.